



Legislation Text

File #: 22-1448, Version: 1

Resolution to Approve the Purchase of Vehicles from National Auto Fleet Group (Sourcewell Bid - \$111,308.00)

The attached resolution authorizes the purchase of four 2023 Chevrolet Bolt electric vehicles at \$27,827.00 each for a total of \$111,308.00 from National Auto Fleet Group, Watsonville, California.

Two of these four vehicles were ordered in July at a cost of \$55,654.00. That purchase did not require City Council approval. In adding the two extra vehicles to our order, the overall purchase increases above the \$75,000.00 threshold for Council consideration.

One of the primary objectives of the Fleet and Facilities Unit is to ensure that the City maintains a fleet that is reliable and affordable. One of the ways that we do this is by establishing a replacement schedule for each class of vehicle. This does not mean that once a vehicle hits the preset age that it is automatically replaced. When a vehicle comes up on the replacement schedule, we use a two step evaluation process. The first step looks at five categories, including the vehicle's age, miles/hours of use, type of service, reliability, maintenance and repair cost. The second step consists of the Fleet Service Supervisor's review of the vehicle repair history and general condition. Each category has point values that are assigned as follows:

AGE - one point for each year the vehicle is in service

MILES/HOURS - one point for each 10,000 miles or 330 hours of service

TYPE of SERVICE - one point for light duty use to five points for severe duty use

RELIABILITY - average # of work orders per month (1 <.25, 2 =.25 to .50, 3 =.50 to .75, 4=.75 to 1, and 5 = over 1 per month)

MAINTENANCE COST - repair cost as a percentage of purchase price (1 = 20 to 40%, 2 = 40% to 60%, 3 = 60% to 80%, 4 = 80% to 100%, and 5 = Over 100%)

SUPERVISOR REVIEW - based on a review of work order history and the Supervisor's experience (1 = very good condition to 5 = very poor condition)

Vehicles with a total score of 22 or below are considered to be in good condition and are not scheduled for replacement. When the total score is between 23 and 27 the vehicle must have a Supervisor rating of 4 or 5 before qualifying for replacement. A vehicle with a total score of 28 and above still needs a Supervisor rating of 3 or above to qualify for replacement. By weighting the Supervisors score, we insure that vehicles that have been in service for a long time or that have had one exceeding high repair charge but are otherwise in very good condition, are not replaced.

The majority of the City's fleet usage is tracked by hours used instead of miles driven. By tracking hours, we get a more accurate assessment of the wear and tear the engine and drive train receive in the "stop and go" city environment. We estimate that city driving accounts for 90 to 95 percent of the hours put on City vehicles.

Of the seventy-three light vehicles scheduled for evaluation this year, twenty-four have met the

scoring requirements for replacement. Of the twenty-four vehicles scheduled for replacement, two of these vehicles are included in this resolution. The two additional vehicles included in this resolution are new to the Fleet to provide vehicles for two recent hires in the Building Department.

The Police Community Standards Unit of the Safety Services Area uses vehicles #0515 and #0516, both 2015 Ford Focus sedans, in their parking and code enforcement efforts throughout the City.

The Chevrolet Bolt is an all-electric plug-in vehicle with approximately 240 miles of range on a single charge. Based on expected usage, the vehicle will be able to handle the normal driving activities of a work shift and can fully recharge overnight using a Level 2 (240v) charger. Community Standards is successfully utilizing Chevrolet Bolts for their operations currently.

The Fleet and Facilities Unit reviewed the bids of the Cooperative Purchasing Programs of the State of Michigan, Sourcewell, Oakland County, and Macomb County. National Auto Fleet Group was the lowest responsive bidder to the Sourcewell cooperative purchasing program (Sourcewell contract #091521-NAF) for the Chevrolet Bolts.

National Auto Fleet Group complies with the requirements of the City's Conflict of Interest and Non-Discrimination ordinances.

Budget/Fiscal Impact: Adequate funding for the purchase of these two replacement vehicles is available in the FY23 Fleet Services Fund Operations and Maintenance budget and the FY23 General Fund budget. Replacement costs paid to the Fleet Fund for these two vehicles in the amount of \$51,550.00 covered the anticipated replacement with a traditional internal combustion engine. Supplemental funding to upgrade these two vehicles to all electric in the amount of \$4,104.00 has been budgeted in the FY23 General Fund budget.

Funding for the purchase of the two new vehicles in the amount of \$55,654.00 is available in the FY23 Construction Fund Operations and Maintenance budget.

The owning department of each electric vehicle will be responsible for the Fleet replacement cost each year. This Fleet replacement cost covers the future cost of replacing the vehicles purchased under this resolution. Fuel savings and reduced maintenance expenses will recoup some of this additional expense based on the usage of the vehicle.

Green Fleet Policy: On August 10, 2022, the Green Fleet Committee approved the need for the replacement of these vehicles, that the proposed replacements are consistent with the Green Fleet Policy and recommended the approval of this resolution. The Sustainability and Innovations Manager has concurred with the actions of the Committee.

Prepared by: Matthew J. Kulhanek, Fleet & Facilities Manager

Reviewed by: John Fournier, Deputy City Administrator

Approved by: Milton Dohoney Jr., City Administrator

Whereas, The Fleet and Facilities Unit needs to purchase vehicles for the City's fleet;

Whereas, National Auto Fleet Group, Watsonville CA, is the lowest responsive bidder to the Sourcewell cooperative purchasing program;

Whereas, National Auto Fleet Group complies with the requirements of the City's Conflict of Interest

and Non-Discrimination Ordinances; and

Whereas, Adequate funds for the purchase of these vehicles are available in the FY2023 Fleet Services Fund, FY2023 Construction Fund and FY2023 General Fund Operations and Maintenance budgets;

RESOLVED, That City Council approve the issuance of a purchase order to National Auto Fleet Group for the purchase of four 2023 Chevrolet Bolt electric vehicles at \$27,827.00 each for a total of \$111,308.00;

RESOLVED, That funds for the purchase of these vehicles in the amount of \$51,550.00 come from the FY2023 Fleet Services Fund budget, in the amount of \$55,654.00 come from the FY2023 Construction Fund budget and in the amount of \$4,104.00 from the FY2023 General Fund Police Department budget with funds to be available without regard to fiscal year;

RESOLVED, That the vehicles being replaced (nos. 0515 and 0516) be sold at the next City vehicle auction held after the vehicles are removed from service; and

RESOLVED, That the City Administrator be authorized to take the necessary actions to implement this resolution.